1/7/83 50110-1(a) A

ANNUAL REPORT

of

SUPERINTENDENT OF BANKS

of the

STATE OF ALABAMA

FOR THE FISCAL YEAR ENDING

SEPTEMBER 30, 1982

MONTGOMERY, ALABAMA

BEST AVAILABLE COPY

STATE OF ALABAMA

STATE BANKING DEPARTMENT

MONTGOMERY

SUPERINTENDENT OF BANKS

The Honorable Fob James
Governor of Alabama
State Capitol
Montgomery, Alabama

Dear Governor James:

Pursuant to the Code of Alabama, 1975, Section 5-2A-13, I am pleased to submit to you the report of activities of the State Banking Department for the fiscal year ending September 30, 1982.

Respectfully submitted,

Kenneth R. McCartha
Superintendent of Banks

November 29, 1982

The Banking Department was created by an Act of the Legislature, approved March 2, 1911. The following is a list of Superintendents of Banks from 1911 to date:

NAME	TERM
A. E. Walker	1911-1918
D. F. Green	1918-1920
H. H. Montgomery	1920-1923
A. E. Jackson	1923-1927
C. E. Thomas	1927-1929
D. F. Green	1929-1931
H. H. Montgomery	1931-1934
J. H. Williams	1934-1938
J. B. Little	1939-1940
Addie Lee Farish	1940-1947
E. B. Glass, Jr.	1947-1950
D. E. Marley	1950-1951
H. A. Longshore	1951 (Jan-Oct)
Joe H. Williams	1951-1955
Lonnie W. Gentry	1955-1959
John C. Curry	1959-1963
Robert M. Cleckler	1963-1968
C. E. Avinger	1968-1971
Robert I. Gulledge	1971-1973
Leonard C. Johnson	1974-1975
M. Douglas Mims	1975-1976
D. M. Mitchell	1976-1978
Kenneth R. McCartha	1978-

PERSONNEL

Kenneth R. McCartha . . . . . Superintendent of Banks

Frank J. Arrington . . . . . Assistant Superintendent of Banks

C. S. Blackledge . . . . . Supervisor, Bureau of Loans

C. W. Sauls, Jr. . . . . Supervisor, Bureau of Credit Unions

Administrative/Clerical

Eloise Palmer	Clerk-Stenographer	IV
Lura Glass	Clerk-Stenographer	III
Frances Little	Clerk-Stenographer	III
Sandra Walley	Clerk-Typist	III
Glenda Foley	Clerk-Typist	II
Joyce Phillips	Clerk-Typist	I

EXAMINING STAFF

Bureau of Banking

East/Southeast District

Dan Wilson, Jr.	Supervising Bank Examiner	
Charles Coon	Bank Examiner	III
Robert D. Price	Bank Examiner	III
Lloyd L. Layton	Bank Examiner	II
George C. Page	Bank Examiner	II
H. Randall Scott	Bank Examiner	II
Gordon Gardner	Bank Examiner	I
Burton LeNoir	Bank Examiner	I
Barbara N. Pruett	Bank Examiner	I
Hobart Reed, Jr.	Bank Examiner	I

Northern District

James R. Miller	Supervising Bank Examiner	
Jimmy L. Howard	Bank Examiner	III
Rodger Sanders	Bank Examiner	III
William Comerford	Bank Examiner	II
David R. Harris	Bank Examiner	I
Antonia R. Martin	Bank Examiner	I
William McCracken	Bank Examiner	I
Michael A. Seals	Bank Examiner	I
G. Jerome Turley	Bank Examiner	I
Randall N. Weathersby	Bank Examiner	I
Michael W. Westbrook	Bank Examiner	I

West/Southwest District

Byron L. Hughes	Supervising Bank Examiner	
William C. Burkhalter	Bank Examiner	III
Edward T. Morrow	Bank Examiner	III
Richard C. Cobbs	Bank Examiner	II
Robert D. Steen	Bank Examiner	II
Joe M. Swink	Bank Examiner	II
Thomas N. Brown	Bank Examiner	I

Bureau of Loans

Clarence J. Brewer	Loan Examiner	II
Robert K. Floyd	Loan Examiner	II
Roy A. Smith	Loan Examiner	II
D. C. Weaver	Loan Examiner	II
Earl R. Wooley	Loan Examiner	II

Bureau of Credit Unions

Henry M. Mullins, Jr.	Bank Examiner	III
Grady Bodine	Bank Examiner	II
William D. Soderstrom	Bank Examiner	I

BANKING BOARD

MEMBER		EXPIRATION OF TERM
Superintendent of Banks		Ex-officio member Chairman of Board
Whit Armstrong	Chairman and President The Citizens Bank Enterprise, Alabama	2-1-85
John Gittings	President Washington County State Bank McIntosh, Alabama	2-1-87
Jim Green	Loan Officer Central Bank of the South Scottsboro, Alabama	2-1-87
A. M. Grimsley, Jr.	President First National Bank Fayette, Alabama	2-1-83
Feagin Rainer	President City National Bank Sylacauga, Alabama	2-1-83
Mary George Waite	Chairman and President Farmers & Merchants Bank Centre, Alabama	2-1-85

SAVINGS AND LOAN BOARD

Superintendent of Banks		Ex-officio member Chairman of Board
Max Hudson	Managing Officer First Federal Savings & Loan Cullman, Alabama	3-25-85
Jesse E. Miller	Chairman City Federal Savings & Loan Birmingham, Alabama	3-25-86
William H. Mills	President Coosa Federal Savings & Loan Gadsden, Alabama	3-25-83
William J. Thorsworth	President Mobile Federal Savings & Loan Mobile, Alabama	3-25-84

CREDIT UNION BOARD

MEMBER		EXPIRATION OF TERM
Superintendent of Banks		Ex-officio member Chairman of Board
J. R. Barnard	President Fort McClellan Credit Union Fort McClellan, Alabama	2-1-88
Louise Crockett	Manager Scott-Southern Division Employees Credit Union Mobile, Alabama	2-1-86
Roger W. Hester	Manager Railway Employees Credit Union Sheffield, Alabama	2-1-88
James K. Lankford	Manager Alabama Credit Union University, Alabama	2-1-84
Robert H. McSwain	Vice President Alabama State Employees Credit Union Montgomery, Alabama	2-1-84
Rex Pinkard	Director USCO-Alabama Credit Union Russellville, Alabama	2-1-86
John R. Stephenson	President Iron and Steel Credit Union Birmingham, Alabama	2-1-84

BUREAU OF BANKING

The Bureau of Banking is responsible for supervising and examining State chartered banks and savings and loan associations.

BANKS

The State Banking System includes 210 banks with 311 branch offices. These banks had total assets of $8,903,067,000 as of September 30, 1982, an increase of $1,777,797,000 over the total assets of $7,125,270,000 on September 30, 1981. A comparative consolidated statement of all state banks is presented later in this report.

SUMMARY STATISTICS

Number of State Banks at September 30, 1981	218
Number of Branches	244
Total	462
Number of State Banks at September 30, 1982	210
Number of Branches	311
Total	521
State Bank Mergers with Other State Banks	8
State Bank Mergers into National Banks	3
National Bank Converted to State Bank	1
New Branches Established	7
New Branches Established as Result of National Bank Mergers with State Banks	46
New Branches Established as Result of State Bank Mergers with State Banks	8
New Branches Established as Result of National Bank converting to State Charter	11
Number of Branches Closed	3
Number Branches closed as result of State Bank Mergers with National Banks	2

NEW STATE BANKS OPENED

Calendar Year	Number
1972	3
1973	9
1974	5
1975	4
1976	2
1977	7
1978	3
1979	4
1980	1
1981	2

New Banks Chartered and Opened FYE 9-30-82

Decatur	First American Bank	Opened November 12, 1981 Beginning Capital $1,600,000
Fort Payne	First State Bank of DeKalb County	Opened May 19, 1982 Beginning Capital $1,250,000

Branch Banks Opened FYE 9-30-82

Bay Minette	SouthTrust Bank of Baldwin County	Gulf Shores Branch	6-29-82
Hartselle	First Alabama Bank of Hartselle	Priceville Branch	2-18-82
Jasper	Central Bank of Walker County	Mall Way Branch	10-29-81
Moulton	Bank of Moulton	East Lawrence Branch, Trinity	10-15-81
Phenix City	SouthTrust Bank of Russell County	Hurtsboro Branch	5-15-82
Wadley	First Bank	Roanoke Branch	8-31-82
Wetumpka	Citizens Bank of Wetumpka	Grandview Branch	11-16-81

Branch Offices Closed FYE 9-30-82

Birmingham	Central Bank of the South	Century Plaza Branch	3-31-82
Dothan	AmSouth Bank of Houston County	Plaza Shopping Center Branch	8-31-82
Elba	The Peoples Bank	Drive-In Branch, 330 N. Factory	12-21-81

Conversions - National Banks to State Charter

Central Bank of Mobile, N.A. consolidated with First National Bank of Baldwin County, Fairhope and converted to a state charter under the title of Central Bank.	6-18-82

State Bank Mergers into Other State Banks

Central Bank of Eufaula; Central Bank of Montgomery; Central Bank of Uniontown; Central Bank of St. Clair County, Springville; Central Bank of Walker County, Jasper; merged into Central Bank of Birmingham under the title of Central Bank of the South	12-31-81
Southern Bank of Lee County, Smiths merged into Auburn Bank & Trust Company, Auburn under the title of SouthTrust Bank	1-1-82
Farmers & Merchants Bank of Ashford merged into Bank of Dothan under the title of AmSouth Bank of Houston County	6-28-82
Central Bank, Mobile merged into Central Bank of the South, Birmingham	6-29-82

National Bank Mergers into State Banks

Central Bank of Alabama, N.A., Decatur; Central Bank of Dothan, N.A.; Central Bank of Auburn, N.A.; Central Bank of Tuscaloosa, N.A.; merged into Central Bank of Birmingham under the title of Central Bank of the South	12-31-81
Muscle Shoals National Bank, Muscle Shoals, merged into Southern Bank of Lauderdale County, Florence, under the title of SouthTrust Bank of the Quad Cities	5-6-82

State Bank Mergers into National Banks

Citizens Bank & Trust Company, Alabaster merged into First National Bank of Birmingham	8-6-82
Central Bank of Oxford, Oxford merged into First City National Bank of Oxford under the title of Central Bank of Oxford, N.A.	9-16-82
The Bank of Florala, Florala merged into First National Bank of Opp, Opp under the title of First National Bank of the South	9-30-82

Changes in Corporate Name in FYE 9-30-82

City	From:	To:	Effective:
Bay Minette	Baldwin County Bank	SouthTrust Bank of Baldwin County	6-2-82
Boaz	The Sand Mountain Bank	SouthTrust Bank of Sand Mountain	9-28-82
Cordova	Cordova Citizens Bank	First Alabama Bank of Walker County	9-27-82
Phenix City	Southern Bank of Russell County	SouthTrust Bank of Russell County	1-7-82
Selma	Citizens Bank and Trust Company	SouthTrust Bank of Selma	9-10-82
Wadley	Bank of Wadley	First Bank	1-26-82
West Blocton	Bank of West Blocton	First State Bank of Bibb County	2-17-82

BANKS CURRENTLY IN LIQUIDATION

Notasulga	First Bank of Macon County	Placed in liquidation on 1-26-78
Camden	Wilcox County Bank	Placed in liquidation on 3-1-78
Faunsdale	Watkins Banking Company	Placed in liquidation on 7-1-~~82~~78
Gadsden	East Gadsden Bank	Placed in liquidation on 12-31-80

STATE CHARTERED BANKS AFFILIATED WITH HOLDING COMPANIES

HOLDING COMPANY	SUBSIDIARY BANKS	BANK LOCATION
AmSouth Bancorporation	The Bank of Arab	Arab
	Parker Bank and Trust Company	Cullman
	AmSouth Bank of Houston County	Dothan
	Fort Payne Bank	Fort Payne
	Bank of Gadsden	Gadsden
	The Bank of East Alabama	Opelika
	The Bank of Sulligent	Sulligent
	Peoples Bank of Tuscaloosa	Tuscaloosa
Attalla Trust Company (The)	Exchange Bank	Attalla
Brantley Bancorp, Inc.	Brantley Bank & Trust Company	Brantley
Central Bancshares of the South, Inc.	Central Bank of the South	Birmingham
Citibanc Group, Inc.	Citibanc of Alabama, Andalusia, Alabama	Andalusia
	Citibanc of Alabama, Anniston, Alabama	Anniston
	Citibanc of Alabama, Fultondale, Alabama	Fultondale
	Citibanc of Alabama, Goodwater, Alabama	Goodwater
	Citibanc of Alabama, Lineville, Alabama	Lineville
	Citibanc of Alabama, Roanoke, Alabama	Roanoke
	Citibanc of Alabama, Tuskegee, Alabama	Tuskegee
Community Bancshares, Inc.	Bank of Dothan	Dothan
Community Investment, Inc.	Brundidge Banking Company	Brundidge
County Bancshares, Inc.	Pike County Bank	Troy
DeKalb Bancshares, Inc.	The Crossville Bank	Crossville
Enterprise Capital Corporation	The Citizens Bank	Enterprise

STATE CHARTERED BANKS AFFILIATED WITH HOLDING COMPANIES (Cont'd)

HOLDING COMPANY	SUBSIDIARY BANK	BANK LOCATION
F & M Holding Company	Farmers and Merchants Bank	Foley
FSB Bancorporation	First State Bank of Decatur	Decatur
First Alabama Bancshares, Inc.	First Alabama Bank of Birmingham	Birmingham
	First Alabama Bank of Walker County	Cordova
	First Alabama Bank of Cullman	Cullman
	First Alabama Bank of Dothan	Dothan
	First Alabama Bank of Conecuh County	Evergreen
	First Alabama Bank of Guntersville	Guntersville
	First Alabama Bank of Hartselle	Hartselle
	First Alabama Bank of Sumter County	Livingston
	First Alabama Bank of Lauderdale County	Rogersville
	First Alabama Bank of Chilton County	Thorsby
First Bancgroup-Alabama, Inc.	MetroBank	Birmingham
First Boaz Corporation	First Bank of Boaz	Boaz
First State Bancorporation	First State Bank of Tuscaloosa	Tuscaloosa
The Gadsden Corporation	First State Bank of Altoona	Altoona
Greene, R. M., Inc.	Farmers & Merchants Bank of Russell County	Phenix City
Leeds Holding Company, Inc.	The Citizens Bank of Leeds	Leeds
Merchants Bancorporation	Merchants Bank	Hanceville
Peoples Bancshares, Inc.	The Peoples Bank	Pell City
Peoples Holding Company	Peoples Bank	Collinsville

STATE CHARTERED BANKS AFFILIATED WITH HOLDING COMPANIES (Cont'd)

HOLDING COMPANY	SUBSIDIARY BANKS	BANK LOCATION
Rainsville Holding Company	The Rainsville Bank	Rainsville
Repton Supply Company, Inc.	Union Bank	Repton
SouthTrust Corporation	SouthTrust Bank	Auburn
	SouthTrust Bank of Baldwin County	Bay Minette
	SouthTrust Bank of Sand Mountain	Boaz
	SouthTrust Bank of the Quad Cities	Florence
	Marion County Banking Company	Hamilton
	Commercial Guaranty Bank of Mobile	Mobile
	SouthTrust Bank of Russell County	Phenix City
	SouthTrust Bank of Selma	Selma
Trust No. 3 Under Will of Charles Henderson	Troy Bank and Trust Company	Troy
United Bancorporation of Alabama, Inc.	The Bank of Atmore	Atmore
	Peoples Bank	Frisco City
Warrior Capital Corporation	Warrior Savings Bank	Warrior
West Alabama Bancshares, Inc.	Merchants & Farmers Bank	Millport

TOP TWENTY STATE COMMERCIAL BANKS AT SEPTEMBER 30, 1982
(In Thousands of Dollars)

Name of Bank	Assets	Year Bank Opened
Central Bank of the South, Birmingham	$2,436,744	1964
First Alabama Bank of Birmingham	499,714	1928
Union Bank & Trust Company, Montgomery	282,905	1901
First Alabama Bank of Dothan	118,201	1910
Commercial Guaranty Bank, Mobile	116,708	1965
The Peoples Bank & Trust Company, Selma	111,871	1902
Enterprise Banking Company, Enterprise	101,086	1903
Traders & Farmers Bank, Haleyville	87,661	1906
The Bank of Huntsville	70,576	1963
MetroBank, Birmingham	70,463	1965
The Commercial Bank, Andalusia	69,692	1933
First State Bank of Decatur	68,732	1966
The Bank of Atmore	66,102	1904
Farmers & Merchants Bank, Foley	61,243	1932
Bank of Prattville	60,996	1935
The Bank of Ozark	59,739	1934
Bank of Thomasville	56,508	1952
Alabama City Bank of Gadsden	56,242	1922
Baldwin County Bank, Bay Minette	55,774	1932
Troy Bank & Trust Company, Troy	52,329	1906

STATE OF ALABAMA

STATE BANKING DEPARTMENT

CONSOLIDATED REPORTS OF CONDITION AT CLOSE OF BUSINESS --	9-30-81	9-30-82
Number of Banks	218	209
Number of Branch Banks	244	311
	(000 Omitted)	
ASSETS		
Cash and due from Depository Institutions	$ 663,342	$1,116,432
United States Treasury Securities	515,624	766,086
Obligations of Other U. S. Government Agencies and Corporations	812,911	971,823
Obligations of State and Political Subdivisions	964,447	1,181,545
All Other Securities	68,968	83,246
Federal Funds Sold and Securities Purchased under Agreements to Resell	337,569	437,079
Loans, Net	3,445,251	3,943,176
Lease Financing Receivables	4,745	5,565
Fixed Assets	144,389	162,978
Real Estate Owned Other than Bank Premises	18,855	30,223
All Other Assets	149,169	204,914
TOTAL ASSETS	$7,125,270	$8,903,067

Consolidated Reports of Condition (Continued)	9-30-81	9-30-82
	(000 Omitted)	
LIABILITIES		
Demand Deposits of Individuals, Partnerships & Corporations	$1,175,039	$1,339,297
Time and Savings Deposits of Individuals, Partnerships & Corporations	3,998,738	4,913,850
Deposits of United States Government	15,526	42,330
Deposits of States and Political Subdivisions	806,119	894,565
All other Deposits	89,481	89,197
Certified and Officers Checks	41,300	43,222
TOTAL DEPOSITS	6,126,203	7,322,461
Federal Funds Purchased & Securities Sold under Agreement to Repurchase	204,575	642,488
Interest-bearing Demand Notes Issued to U.S. Treasury and Other Liabilities for Borrowed Money	14,523	21,592
Mortgage Indebtedness and Liability for Capitalized Leases	8,067	3,414
All Other Liabilities	109,317	128,453
TOTAL LIABILITIES	6,462,685	8,118,408
Subordinated Notes and Debentures	11,844	10,964
EQUITY CAPITAL		
Common Stock	106,137	105,955
Surplus	142,138	163,786
Undivided Profits and Reserve for Contingencies and Other Capital Reserves	402,466	503,954
TOTAL EQUITY CAPITAL	650,741	773,695
TOTAL LIABILITIES AND EQUITY CAPITAL	$7,125,270	$8,903,067
Percentage Gross Capital and Reserves to Gross Assets	9.8	9.3
Percentage Gross Capital and Reserves to Total Deposits	11.5	11.4
Percentage Net Loans to Total Assets	48.3	44.3
Percentage Net Loans to Total Deposits	56.2	53.9
Percentage Time and Savings Deposits to Total Deposits	76.6	78.1

STATE BANKS

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-20-82 (000 Omitted) DEPOSITS	9-20-82 (000 Omitted) TOTAL ASSETS
Abbeville	Bank of Abbeville	26,751	33,445	28,957	35,955
	Henry County Bank	13,848	15,232	12,544	13,878
Alabaster	Citizens Bank & Trust Co.	5,559	6,421	Merged	
	First Bank of Alabaster	25,222	27,550	25,304	27,770
Albertville	First State Bank of Albertville	19,600	22,239	24,051	27,254
Alexander City	Alexander City Bank	24,910	28,856	28,074	32,273
Aliceville	Aliceville Bank and Trust Company	25,064	27,743	24,483	27,399
Altoona	First State Bank of Altoona	15,376	17,268	17,899	20,155
Andalusia	Citibanc of Alabama, Andalusia, Alabama	38,923	45,502	46,309	53,122
	The Commercial Bank	56,145	63,884	60,590	69,692
Anniston	Bank of Anniston	19,405	21,567	17,728	19,695
	Citibanc of Alabama, Anniston, Alabama	8,807	10,556	7,859	9,374
Arab	The Bank of Arab	27,039	30,070	28,809	31,821
	Security Bank and Trust Company	20,851	23,033	22,020	24,824
Ariton	Farmers and Merchants Bank	13,996	15,753	15,294	17,153
Ashford	Farmers & Merchants Bank	12,269	13,642	Merged	
Ashville	Ashville Savings Bank	21,051	23,060	22,671	24,799
	Farmers & Merchants Bank of Ashville	3,876	4,482	3,862	4,520
Atmore	The Bank of Atmore	54,903	61,190	59,349	66,102
Attalla	The Exchange Bank	22,388	24,993	25,908	28,728
Auburn	SouthTrust Bank (Formerly Auburn Bank & Trust Company)	14,584	16,030	22,748	25,277
Bay Minette	SouthTrust Bank of Baldwin County (Formerly Baldwin County Bank)	46,046	53,052	48,785	55,774
Beatrice	Peoples Exchange Bank of Monroe County	10,109	11,304	9,596	10,543
Berry	Bank of Berry	5,396	6,101	6,098	6,873
Birmingham	Central Bank of the South	647,906	857,960	1,694,993	2,436,744
	First Alabama Bank of Birmingham	374,665	444,881	409,340	499,714
	MetroBank	66,126	72,083	61,076	70,463
	Steiner Bank	9,233	12,561	10,096	13,927
Blountsville	The Bank of Blountsville	31,723	35,137	33,877	37,801

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Boaz	First Bank of Boaz	29,848	33,641	33,958	38,175
	SouthTrust Bank of Sand Mountain (Formerly Sand Mountain Bank)	36,330	41,450	40,449	46,314
Brantley	Brantley Bank & Trust Company	14,027	16,426	14,702	17,384
Brent	Brent Banking Company	17,097	18,895	17,703	19,839
Brewton	Bank of Brewton	26,009	30,048	25,235	29,488
	First Progressive Bank	21,396	24,157	20,247	23,425
Brilliant	Security Trust & Savings Bank	15,831	17,667	17,007	18,994
Brundidge	Brundidge Banking Company	15,625	16,733	17,091	18,865
Butler	The Choctaw Bank of Butler	33,104	37,597	37,958	43,119
Calera	Central State Bank	21,887	24,170	23,531	26,575
Camp Hill	Camp Hill Bank	10,973	12,420	10,913	13,155
Carbon Hill	Bank of Carbon Hill	12,718	14,340	14,042	15,773
Carrollton	First State Bank of Carrollton	10,673	11,952	11,183	12,272
Carrville	The Peoples Bank of Carrville	13,363	14,997	14,840	16,549
Cedar Bluff	Cedar Bluff Bank	13,330	14,699	12,653	13,476
Centre	Cherokee County Bank	39,030	42,243	41,415	44,516
	Farmers & Merchants Bank	42,918	48,452	43,030	46,246
Centreville	The Peoples Bank of Centreville	19,949	23,552	21,326	25,490
Chatom	Chatom State Bank	24,942	28,927	26,985	31,241
Childersburg	City Bank of Childersburg	8,555	9,913	10,704	12,145
	First Bank of Childersburg	17,550	19,487	19,182	21,118
Clanton	The Peoples Savings Bank	28,891	33,542	31,936	36,914
Clayton	Barbour County Bank	11,151	12,694	11,437	13,107
	The Clayton Banking Company	13,346	15,419	13,639	16,198
Clio	The Peoples Bank	9,684	10,867	8,943	10,408
Collinsville	The Peoples Bank	10,296	11,316	11,787	12,552
Columbia	Bank of Columbia	9,100	9,891	10,952	12,107
Cordova	First Alabama Bank of Walker County (Formerly Cordova-Citizens Bank)	10,615	11,601	10,408	11,728
Cottonwood	Bank of Cottonwood	8,420	9,394	10,758	11,964
Crossville	The DeKalb Bank	12,965	15,230	15,702	17,504
Cullman	First Alabama Bank of Cullman	19,235	21,724	24,476	27,330
	Parker Bank and Trust Company	31,543	36,044	37,297	42,295
Dadeville	Bank of Dadeville	18,406	20,804	20,297	23,368

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Decatur	First American Bank	Opened 11-12-81		11,475	13,193
	First State Bank of Decatur	55,759	62,406	61,543	68,732
Demopolis	Robertson Banking Company	36,508	41,412	41,112	46,412
Dothan	AmSouth Bank of Houston County (Formerly Bank of Dothan)	16,887	19,046	30,447	33,170
	First Alabama Bank of Dothan	95,923	112,394	96,889	118,201
Eclectic	Bank of Eclectic	11,620	12,455	11,714	12,515
Elba	Elba Exchange Bank	29,969	34,910	31,214	37,463
	The Peoples Bank	14,621	16,377	15,696	17,897
Enterprise	The Citizens Bank	30,391	34,739	33,059	38,367
	Coffee County Bank	8,477	9,398	8,337	9,376
	Enterprise Banking Company	86,671	98,450	87,846	101,086
Eufaula	Central Bank of Eufaula	23,336	27,133	Merged	
	Eufaula Bank & Trust Company	31,171	37,262	31,614	38,246
Eutaw	Merchants & Farmers Bank of Greene County	19,197	23,225	20,522	24,743
Evergreen	Bank of Evergreen	3,958	4,457	3,894	4,429
	First Alabama Bank of Conecuh County	22,067	25,134	23,625	26,805
Fayette	The Citizens Bank of Fayette	32,004	38,528	37,364	44,867
Flomaton	Escambia County Bank	26,759	30,006	28,736	32,529
Florala	The Bank of Florala	17,850	20,750	Merged	
Florence	The Bank of Florence	11,043	13,403	13,937	16,430
	SouthTrust Bank of the Quad Cities (Formerly Southern Bank of Lauderdale Co.)	12,042	13,455	36,704	41,523
Foley	Farmers & Merchants Bank	42,256	48,336	52,946	61,243
	South Baldwin Bank	34,886	39,975	37,918	43,256
Fort Deposit	The Fort Deposit Bank	29,188	34,420	30,362	36,329
Fort Payne	First State Bank of DeKalb County	Opened 5-19-82		3,428	4,712
	Fort Payne Bank	31,312	34,978	35,566	39,582
Frisco City	Peoples Bank	13,623	15,151	14,795	16,776
Fultondale	Citibanc of Alabama, Fultondale, Alabama	3,643	4,104	3,733	4,253
Fyffe	Bank of Fyffe	19,995	21,784	20,236	22,275
Gadsden	Alabama City Bank of Gadsden	52,063	58,098	51,059	56,242
	Bank of Gadsden	10,326	11,353	12,731	13,874
Geneva	The American Bank	23,277	26,296	25,987	29,294
	The Citizens Bank	24,839	29,699	26,541	31,840

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Geraldine	Bank of Geraldine	13,021	14,705	14,774	16,755
Glencoe	First Citizens Bank of Etowah	26,488	29,464	18,083	20,474
Goodwater	Citibanc of Alabama, Goodwater, Alabama	19,384	21,218	18,548	20,771
Gordo	Bank of Gordo	13,529	14,895	14,509	15,919
Grant	Peoples State Bank	7,640	8,311	7,648	8,366
Greensboro	Citizens Bank of Greensboro	7,620	9,559	8,872	11,306
	Peoples Bank of Greensboro	19,964	23,578	19,877	24,494
Greenville	The Greenville Bank	43,239	47,104	47,455	52,055
Grove Hill	The First Bank of Grove Hill	22,690	26,604	24,690	29,330
Gulf Shores	State Bank of the Gulf	15,702	17,183	15,909	17,386
Guntersville	First Alabama Bank of Guntersville	25,900	29,054	28,339	31,278
	The Home Bank, Inc.	11,518	13,429	16,307	18,385
Hackleburg	Bank of Hackleburg	7,107	8,053	6,558	7,037
Haleyville	Traders & Farmers Bank	66,749	74,367	77,932	87,661
Hamilton	Marion County Banking Company	45,423	51,114	47,287	53,272
Hanceville	Merchants Bank	14,097	16,071	15,354	17,489
Hartford	City Bank of Hartford	5,985	7,191	5,957	7,220
Hartselle	Citizens Bank of Hartselle	32,208	37,364	35,908	41,667
	Community Bank & Trust	7,368	8,661	8,793	10,208
	First Alabama Bank of Hartselle	24,211	27,723	27,135	32,289
Headland	The Wiregrass Bank & Trust Company	14,741	16,681	16,329	18,241
Heflin	Bank of Heflin	44,214	49,853	47,129	53,144
Henagar	Northeast State Bank of Alabama	8,809	9,937	10,537	11,781
Holly Pond	Peoples Bank of Holly Pond	4,736	5,866	5,109	6,302
Huntsville	The Bank of Huntsville	53,828	62,456	62,085	70,576
Jackson	Jackson Bank and Trust Company	28,741	32,743	29,362	33,865
	Merchants Bank	26,691	29,520	27,998	31,179
Jacksonville	Jacksonville State Bank	19,817	21,649	22,414	24,544
Jasper	Central Bank of Walker County	26,049	30,787	Merged	
	Walker County Bank	28,542	32,567	30,992	35,162
LaFayette	Farmers & Merchants Bank	15,803	18,244	18,392	21,020
Leeds	The Citizens Bank of Leeds	18,432	20,747	19,587	21,756
Lexington	Bank of Lexington	37,011	42,531	43,137	49,045
Linden	First Bank of Linden	18,025	19,939	17,270	19,354

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Lineville	Citibanc of Alabama, Lineville, Alabama	14,046	15,539	14,951	16,782
	First State Bank of Lineville	16,481	18,080	16,819	19,024
Livingston	First Alabama Bank of Sumter County	22,180	25,088	23,210	26,472
Louisville	Farmers Exchange Bank	7,447	8,043	7,583	8,196
Luverne	First Citizens Bank	4,622	6,274	5,681	7,376
	Luverne Bank & Trust Company	21,541	25,138	23,556	27,752
Maplesville	The Bank of Maplesville	12,065	13,621	13,841	15,577
Marion	Marion Bank & Trust Company	27,400	31,487	29,737	34,301
	The Perry County Bank	8,359	9,644	8,770	10,160
McIntosh	Washington County State Bank	6,809	8,055	7,324	8,497
Midland City	Midland State Bank	4,754	6,123	6,579	7,888
Millport	Merchants & Farmers Bank	16,704	18,388	18,346	20,242
Mobile	Commercial Guaranty Bank	90,232	105,591	102,227	116,708
Monroeville	The Monroe County Bank	29,669	33,850	30,633	35,434
Montevallo	Merchants & Planters Bank	22,813	25,458	24,173	27,051
Montgomery	Central Bank of Montgomery	139,545	166,629	Merged	
	First Montgomery Bank	25,574	31,368	25,950	33,014
	Union Bank & Trust Company	233,186	276,086	235,465	282,905
Moulton	Bank of Moulton	33,029	39,046	35,693	42,335
	The Citizens Bank	27,433	32,104	30,673	36,055
Moundville	Bank of Moundville	13,880	15,296	15,646	17,044
Northport	Citizens Bank of Northport	16,640	18,708	20,081	22,698
Oneonta	The Citizens Bank	29,909	33,957	31,985	37,456
Opelika	The Bank of East Alabama	42,713	49,757	44,903	52,023
Oxford	The Bank of Oxford	12,282	14,039	12,714	14,799
	Central Bank of Oxford	34,475	39,911	Merged	
Ozark	The Bank of Ozark	52,169	58,646	53,157	59,739
	The Commercial Bank of Ozark	16,273	18,533	17,183	20,131
Parrish	Bank of Parrish	10,120	11,366	12,064	13,394
Pelham	Shelby State Bank	14,333	17,104	13,912	17,073
Pell City	The Peoples Bank	28,507	33,052	35,344	40,353
	Union State Bank	22,659	25,209	23,432	26,459
Peterman	Peterman State Bank	8,575	9,435	8,986	9,854
Phenix City	Farmers & Merchants Bank of Russell County	18,940	21,321	19,572	22,134
	Phenix-Girard Bank	25,655	29,275	26,210	30,342

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Phenix City	SouthTrust Bank of Russell County (Formerly Southern Bank of Russell County)	7,256	7,944	8,515	10,057
Phil Campbell	First State Bank of Franklin County	13,802	15,049	12,638	13,856
Piedmont	Farmers & Merchants Bank	19,544	21,977	20,861	23,349
Pine Hill	Bank of Pine Hill	8,824	9,885	9,925	10,998
Prattville	Bank of Prattville	46,182	52,923	53,391	60,996
	Citizens Bank	15,765	18,363	16,406	19,106
Rainbow City	Coosa Valley Bank	25,725	28,972	28,658	32,004
Rainsville	Rainsville Bank	20,447	22,754	24,001	26,510
Red Bay	Bank of Red Bay	19,017	21,953	19,336	21,570
Red Level	Peoples Bank	5,947	6,875	6,015	7,230
Reform	Bank of Reform	21,437	24,060	22,607	26,110
Repton	The Union Bank	19,251	22,003	18,396	21,966
Roanoke	Citibanc of Alabama, Roanoke, Alabama	22,804	25,423	23,172	25,877
	The Commercial Bank of Roanoke	21,454	23,923	22.349	25,698
Robertsdale	Citizens' Bank	1,413	2,398	7,096	8,260
Rogersville	First Alabama Bank of Lauderdale County	23,864	27,036	26,078	29,455
Russellville	Citizens Bank & Savings Company	38,239	42,246	42,984	46,836
Samson	Samson Banking Company	14,794	17,006	14,993	17,451
Scottsboro	The Jackson County Bank	8,287	10,398	10,380	12,858
	Jacobs Bank	37,720	43,990	44,772	50,966
Selma	SouthTrust Bank of Selma (Formerly Citizens Bank & Trust Company)	30,273	34,238	28,526	32,821
	First Dallas County Bank	11,514	12,619	12,313	13,806
	The Peoples Bank and Trust Company	90,157	104,857	94,292	111,871
Smiths	Southern Bank of Lee County	7,410	8,163	Merged	
Springville	Central Bank of St. Clair County	9,129	10,626	Merged	
Stevenson	The North Jackson Bank	3,282	4,564	5,153	6,483
Sulligent	Bank of Sulligent	22,491	25,215	23,270	26,191
	First State Bank of Lamar County	20,565	21,998	20,715	22,273
Sweet Water	Sweet Water State Bank	10,506	12,024	12,409	13,926
Sylacauga	Peoples Bank and Trust Company of Sylacauga	14,200	15,567	14,220	15,698
Talladega	The Citizens Bank of Talladega	18,699	20,550	17,932	19,997
Tallassee	The Bank of Tallassee	27,420	31,102	30,205	34,183

LOCATION	NAME OF BANK	9-30-81 (000 Omitted) DEPOSITS	9-30-81 (000 Omitted) TOTAL ASSETS	9-30-82 (000 Omitted) DEPOSITS	9-30-82 (000 Omitted) TOTAL ASSETS
Thomaston	Planters Bank & Trust Company	8,333	9,094	8,430	9,121
Thomasville	Bank of Thomasville	46,510	52,619	49,842	56,508
Thorsby	First Alabama Bank of Chilton County	14,799	16,728	15,804	18,048
Troy	Pike County Bank	17,491	19,392	16,732	18,661
	Troy Bank & Trust Company	42,653	48,430	47,313	53,329
Trussville	Cahaba Bank & Trust	12,557	14,338	11,390	13,444
Tuscaloosa	First State Bank of Tuscaloosa	12,880	14,999	12,839	14,811
	Peoples Bank of Tuscaloosa	9,423	10,874	11,831	13,467
Tuskegee	Alabama Exchange Bank	26,449	29,998	28,025	31,913
	Citibanc of Alabama, Tuskegee, Alabama	15,526	17,043	14,751	16,392
Uniontown	Canebrake Bank	5,956	6,957	5,915	6,567
	Central Bank of Uniontown	11,888	13,634	Merged	
Valley Head	The Citizens Bank	10,447	11,511	11,406	12,520
Vernon	The Bank of Vernon	24,746	27,299	23,144	25,546
	Citizens State Bank	8,989	10,030	10,545	11,626
Wadley	First Bank	11,568	12,683	12,067	13,593
Warrior	The Warrior Savings Bank	15,647	18,076	20,910	23,739
Waterloo	Farmers and Merchants Bank	6,094	6,751	7,003	7,751
Wedowee	Bank of Wedowee	18,476	20,689	20,510	23,362
West Blocton	First State Bank of Bibb County (Formerly Bank of West Blocton)	5,255	5,724	6,330	6,833
Wetumpka	The Citizens Bank of Wetumpka	31,152	35,343	33,258	37,784
Winfield	The Citizens Bank of Winfield	27,793	30,957	33,819	38,520
	Winfield State Bank	16,240	17,890	23,014	25,113
York	Bank of York	19,373	22,100	20,816	23,970
		6,126,203	7,125,270	7,335,114	8,916,543

SAVINGS AND LOAN ASSOCIATIONS

At the beginning of the fiscal year there were five State chartered savings and loan associations with 25 branches. During the year all five of these savings and loan associations were examined by the Bureau of Banking jointly with the Federal Home Loan Board. Subsequently two of the associations merged, one into a federal savings and loan association and one into another state chartered association, resulting in the Bureau of Banking having only three savings and loan associations under its supervision at fiscal year ending September 30, 1982, with 30 branch offices.

At fiscal year ending September 30, 1982, state chartered savings and loan associations had total assets of $650,949,000, an increase of $764,000 over the total assets of $650,185,000 as of September 30, 1981.

No new savings and loan associations were chartered during the year.

A comparative statement of all State chartered savings and loan associations is presented below.

COMPARATIVE STATEMENT
SAVINGS AND LOAN ASSOCIATIONS

City	Name	Total Assets 9-30-81	Total Assets 9-30-82
Robertsdale	Baldwin County Savings & Loan Association	$131,299,000	$134,489,000
Cullman	Cullman Savings & Loan Association	49,233,000	51,975,000
Birmingham	Guaranty Savings & Loan Association	347,345,000	464,485,000
Mobile	Guaranty Savings & Loan Association of Mobile County	41,797,000	Merged
Mobile	Home Savings & Loan Association of Mobile	80,511,000	Merged
	TOTAL ASSETS	$650,185,000	$650,949,000

BUREAU OF LOANS

The Bureau of Loans is responsible for the administration and enforcement of the Alabama Small Loan Act, Act No. 374, 1959 (§ 5-18-1 et seq. Code of Alabama 1975).

Act No. 2052, 1971 (§ 5-19-1 et seq. Code of Alabama 1975) often referred to as the Mini-Code and the Alabama Consumer Credit Act, designates the Superintendent of Banks as Administrator of the Act, and the Supervisor of the Bureau of Loans is designated Deputy Administrator for the purpose of enforcing the Act as to licensees thereunder. Exempted from licensing and compliance examinations are state and national banks, trust companies, savings or building and loan associations, credit unions, life insurance companies, federally constituted agencies and licensees under Title 34, Chapter 27, Code of Alabama 1975. In addition, the foregoing exempt entities and approved mortgagees under the provisions of the National Housing Act are exempt creditors from all provisions of the Mini-Code except the definition and maximum finance charge sections with respect to any credit transaction involving an interest in real property.

The Bureau of Loans also administered the credit sales notification section of the Mini-Code (5-19-27) up until its repeal in May, 1982.

		ACT NO. 374	ACT NO. 2052
Active Licenses	12-31-80	232	580
	12-31-81	207	442

Compliance Examinations

Each licensed location is scheduled to be examined once during a twelve month period. The time of the year and the examiners are varied. An examination check sheet covering the principal sections of the Acts and Regulations pertaining to consumer safeguards is used as a guide to the examination; however, no examiner is required to follow any particular sequence but is to use his own techniques based upon his experience to determine compliance. A representative number of open accounts are checked to determine the permissibility of the various charges, such as finance, extension, deferment, recording and allowable insurance coverages. Disclosure statements are reviewed to determine compliance with Alabama law. Paid and renewed transactions are examined to ensure that debtors received the proper refunds of unearned finance charges and unearned insurance premiums.

The examination reports are reviewed and licensee's officials notified of the results. Confirmed violations and discrepancies are directed to be corrected.

CONSOLIDATED REPORT OF LICENSEES

BALANCE SHEET
December 21, 1981

ASSETS	Small Loans	Mini-Code
Net loan balances	$ 21,379,231	$ 590,940,199
Net credit sales balances		1,034,794,345
	21,379,231	1,625,734,544
Less bad debt reserves	878,053	32,841,612
Net collectible outstandings	20,501,178	1,592,892,932
Other assets	146,366,263	378,243,278
TOTAL ASSETS	$ 166,867,441	$1,971,136,210
LIABILITIES AND CAPITAL		
Short term notes and accounts	$ 129,410,872	$1,278,231,850
Long term obligations	2,525,632	28,248,929
Other liabilities	6,275,563	276,952,079
TOTAL LIABILITIES	$ 138,212,067	$1,583,432,858
Capital and Surplus	28,655,374	387,703,352
TOTAL LIABILITIES AND CAPITAL	$ 166,867,441	$1,971,136,210

STATEMENT OF INCOME AND EXPENSES
12 Mos. Ended December 31, 1981

INCOME:	Small Loans	Mini-Code
Finance charges collected		
On loans	$ 7,617,009	$ 111,248,548
On credit sales	---	134,720,610
Deferral, default & extension charges	281,941	9,427,191
Total Charges	7,898,950	255,396,349
Bad debt collections	442,135	2,364,893
Income from insurance commissions	685,217	5,389,265
Other income	220,187	5,217,910
GROSS INCOME	$ 9,246,489	$ 268,368,417
EXPENSES:		
Rental and utilities	$ 386,258	$ 3,269,324
Salaries	2,425,139	27,083,834
Taxes and licenses	240,519	1,251,444
Bad debts	1,028,683	12,510,834
Interest expense	17,115,130	185,649,935
Other expense	2,332,620	41,651,937
TOTAL EXPENSES	$ 23,528,349	$ 271,417,308
NET INCOME (loss)	$ (14,281,860)	$ (3,048,891)

ANALYSIS OF FINANCING BY SIZE AND SECURITY

	Small Loans		Mini-Code	
	Number	Amount	Number	Amount
Analysis by Size:				
Loans:				
$75 or less	103,220	$ 5,417,078		
$75.01 to $200	32,166	4,252,735		
$200.01 to $749	66,703	29,404,027		
$500 or less			14,486	$ 4,822,759
$501 to $1,000			34,138	25,467,359
$1,001 to $2,000			54,036	74,386,825
Over $2,000			48,131	259,786,083
Total loans	202,089	$39,073,840	150,791	$ 364,463,026
Credit Sales:				
$500 or less			47,062	$ 14,019,070
$501 to $1,000			25,888	17,536,070
$1,001 to $2,000			11,980	15,699,702
Over $2,000			94,779	756,138,759
Total Contracts Purchased			179,709	$ 803,393,601
TOTAL FINANCINGS	202,089	$39,073,840	330,500	$1,167,856,627

Analysis by Type of Security:

	Loans	Loans	Credit Sales
Household goods	155,506	69,295	36,294
Automobiles	7,084	24,578	94,816
Mobile Homes	---	2,647	1,797
Real Estate	---	16,396	462
Unsecured	33,537	18,936	127
Endorsed or co-maker	2,415	8,951	1
Other	3,547	9,988	46,212

SUITS, REPOSSESSIONS AND SALES OF CHATTELS

	Small Loans		Mini-Code	
	Number	Amount	Number	Amount
Suits pending 1-1-81 & filed during year	2,099	744,310	5,095	8,580,782
Judgments obtained	738	318,952	2,322	3,472,035
Repossessions	62	48,200	5,204	25,917,199
Proceeds from sales	49	19,956	4,657	14,185,358
Garnishments filed			1,019	1,036,963

SMALL LOANS

STATISTICAL INFORMATION RELATING TO THE SMALL LOAN BUSINESS IN ALABAMA FOR THE YEARS INDICATED PER REPORTS SUBMITTED BY LICENSEES

	1977	1978	1979	1980	1981
Number of licensed locations at end of year	201	180	204	232	207
Number loans made during year	270,212	242,756	145,950	226,526	202,089
Dollar amount of loans made	$27,598,420	$24,651,599	$18,872,360	$45,005,164	$39,073,840
Average amount of loan	$102	$102	$129	$198	$193
Net income (loss) of all licensed locations	($3,765,903)	($5,625,244)	($6,784,928)	($8,489,337)	($14,281,860)
Average net income (loss) per location	($8,736)	($31,251)	($33,259)	($37,071)	($68,994)
Interest expense as a percentage of total expenses	50.0%	58.0%	61.7%	60.0%	72.7%

MINI-CODE

STATISTICAL INFORMATION RELATING TO THE LOAN BUSINESS IN ALABAMA FOR THE YEARS INDICATED PER REPORTS SUBMITTED BY LICENSEES UNDER THE MINI-CODE.

	1977	1978	1979	1980	1981
Number licensed locations at end of year	501	514	527	580	442
Number cash loans made during year	277,971	287,092	268,314	166,124	150,791
Dollar amount of loan	$339,720,247	$441,815,571	$456,753,239	$374,702,628	$364,463,026
Average amount of loan	$1,438	$1,539	$1,702	$2,256	$2,417
Number sales contracts purchased by licensees	278,365	292,549	315,341	251,471	179,709
Dollar amount of contracts	$511,462,400	$714,916,187	$794,497,522	$763,592,180	$803,393,601
Average amount of contract	$1,837	$2,444	$2,519	3,036	$4,471
Net income (loss) of all licensed locations	$11,046,648	$14,198,806	$4,302,986	$2,325,153	($3,048,891)
Average net income (loss) per licensed location	$22,049	$27,624	$8,165	$4,009	($6,898)
Interest expense as a percentage of total expenses	32.8%	35.9%	45.3%	62.7%	68.4%

BUREAU OF CREDIT UNIONS

Examination and Supervision of Credit Unions

As provided by law, each credit union under the supervision of the Bureau of Credit Unions was examined during 1981. Although we did not believe it necessary to conduct special second examinations of any credit unions, actual or potential problems revealed during the course of the regular examination required that the operations of a few credit unions be regularly monitored. To help in doing this, these credit unions were requested to regularly submit financial information. At year end a total of twelve credit unions were furnishing the Bureau Supervisor with either monthly or quarterly financial statements. These statements are carefully analyzed, and where appropriate, additional contacts are made with the credit unions.

Charters and Dissolutions

There were no mergers or liquidations of Alabama credit unions during 1981. One new credit union was chartered, increasing the number to 114, and with the approval of the National Credit Union Administration, six federally chartered credit unions were merged into Alabama credit unions.

The new charter was granted to Alabama Corporate Credit Union, which is to be created by means of splitting Alabama Central Credit Union into two separate credit unions. Alabama Central will continue to serve individual members, and Alabama Corporate will serve other credit unions. This was done in order to take advantage of the "Bankers Bank" exemption to the Monetary Control Act of 1980.

Financial institutions organized solely to do business with other financial institutions, which do not conduct business with the general public, and which are owned primarily by the financial institutions they serve are granted this exemption. Alabama Central does not qualify because it has individual members, but was granted a temporary exemption by the Federal Reserve Board to the reserving requirements of the Monetary Control Act until such time as the split could be accomplished. Otherwise they would have been required to place a percentage of their non-personal time deposits (Certificates of Deposit issued to credit unions) and transaction accounts (Daily Income Account) in a non-earning account with the Federal Reserve Bank, and would have lost a substantial amount of income.

Alabama Corporate Credit Union will start business with an initial Board of Directors identical to that of Alabama Central Credit Union and will be managed by Alabama Central under the terms of a contract agreed upon by the two credit unions.

Change in Structure of Member Savings Accounts

More than any other single factor recent changes in the structure of Member Savings Accounts have affected the manner in which credit unions

operated during 1981. As recent as 1976, only 2.68% of total member savings were in accounts other than regular share accounts. By 1979 the percentage had increased to 22.78%, amounted to 35.42% at the end of 1980, and at the end of 1981 was 46.19%. Total savings increased 9.22% during 1981, but deposit accounts increased by 41.67%, as many members switched funds from shares to the higher earning deposit accounts. Deposits increased $67,582,473, with shares decreasing $28,077,047 for the year.

The primary motivation for credit unions to promote various different types of savings accounts is a desire to be of service to the membership. This is admirable so long as it can be done on a financially sound basis, since the purpose of credit unions is to serve their membership. Another reason for offering alternative savings instruments is a defensive one, to keep from losing funds to competitive financial institutions which offer high-yield investments. Much has been written and said by representatives of the trade associations, CUNA and the Alabama Credit Union League, about credit unions' offering a full range of financial services, and their promotion of this full-service concept undoubtedly influenced credit unions' Boards of Directors to offer various types of deposit accounts.

This change in deposit structure requires more sophisticated management skills. It was only recently when a typical credit union obtained member funds at a cost of 6%, lent it out at 12%, and could operate successfully without giving much thought to liquidity needs. The savings base was a stable one. The 6% dividend was considerably higher than the interest banks and savings and loan associations could pay on similar passbooks savings due to their rates being regulated at lower levels, and there were few alternative investments available to small savers which would pay more than what they could earn on regular share accounts. Even if a need for liquid funds arose, there was no particular problem; the credit unions could borrow these funds for much less than it was earning on its loans.

Those were the "good old days". This has changed. There is no 50% margin between the rates credit unions pay on deposit accounts and that which they can earn on loans and investments. They usually can invest deposits at a slightly higher rate than that which they pay, but this is often economical only if the deposits represent new money placed in the credit union. To the extent that increases in deposits represent a transfer from regular shares, this increase must absorb its share of operating costs which was absorbed by the shares. Often, particularly in the case of the higher yielding Money Market Certificates, there is a net operating loss. Credit unions now must better analyze costs and set prices paid for deposits not only based on competition, but on their ability to pay. You are not properly serving the general membership when it is subsidizing a select group of members. You are doing the general membership a disservice if you dissipate their capital protection.

Funds management and liquidity considerations are now a major management function. A good portion of the fund placed in deposit accounts can be characterized as "hot money" seeking the highest yield, is volatile, and may leave the credit union for a higher yield alternative investment. This requires the placing of more funds in share-term liquid investments, and can limit the amount available for loans to members.

Not all Alabama credit unions offered deposit accounts to their members in 1981. Of the 112 active individual member credit unions, 47 offered shares only and another 10 had only nominal amounts (defined as less than 10% of savings) of deposit accounts. It is almost as if we have tw different types of financial institutions, and we thought it would be useful to separate financial data into two classes of credit unions and compare them in the areas of size, growth, earnings, capital adequacy, liquidity and service to members. This was done with the knowledge that other factors affect the operations and financial condition of credit unions, and we will not make any conclusions that the differences were only due to whether the credit unions offered deposit accounts. Some differences were only due to whether the credit unions offered deposit accounts. Some differences, of course, are due to the different structure of member savings, and comparative financial data is presented on page 33

In judging how well each class of credit unions served its membership, one needs to take into consideration which members the credit union wishes to primarily serve. One will note that the credit unions which offered only share accounts paid a much higher return on shares (8.05%) than did the others (5.88%). Members with shares only, generally the smaller savers, will say they were better served because the credit union did not pay high interest to other persons, if by doing that their dividends would have decreased. Where eligible for membership in more than one credit union, such as family members, these savers would be more apt to place their funds in the credit union paying the highest dividend.

The determination of which market to serve - that is, whether to promote deposit accounts or not - is not the function of the Bureau of Credit Unions. That decision must be made by each individual credit union's Board of Directors, and we make no recommendation in this area. However, we do feel that we have the duty of reminding credit unions that wish to promote higher cost accounts, such as Money Market Certificates, of the need for proper funds management and the earnings, capital protection, and liquidity implications.

Credit Union Growth

Information presented in the statistical section of this report reveals that between December 31, 1980 and December 31, 1981 the assets of all active Alabama credit unions increased $63,397,600, a growth rate of 9.80%. This figure includes $16,891,500 growth by Alabama Central Credit Union, which includes among its membership other credit unions, as well as individuals. Asset growth of individual member credit unions in recent years is as follows: 1977 - $51,159,400, 16.74%; 1978 - $44,134,400, 12.37%; 1979 - $28,324,100, 7.06%; and 1980 - $57,830,000.

While assets of credit unions as a whole increased during 1981, a number actually decreased in size. Twenty-eight credit unions lost assets during 1981, and a number showed decreased growth rates. Among these were several credit unions whose primary field of membership is the primary metals production and fabrication industry. Because of national economic conditions in the industry, there were large lay-offs, and credit unions serving this membership classification showed the lowest rate growth. The median increase in assets for this group was 2.72% for 1981, compared with 9.38% in 1980. Six of the fourteen credit unions in this classification decreased in size. Among other credit unions, the decrease in growth often was due to their losing funds to competitive financial institutions which offered higher rates on certificates and other time deposits, including other credit unions where there was dual membership. These were credit unions which either could not, or chose not to offer competitive rates on CD's. A more detailed discussion of the growth of credit unions offering deposit accounts as compared to those which offered only share accounts is presented in this report under the heading of Changes in Structure of Member Savings Accounts. The mean, or arithmetic average growth during 1981 for all individual member credit unions was 9.10%, and the median growth was 5.89%. 1980 mean and median growth was 15.54% and 7.96%, respectively. For 1981 twenty-five per cent of the credit unions grew in excess of 12.52%, and the lower quartile decreased in size.

Average and median assets at year end of individual member credit unions were as follows for the past five years.

Year	Average Total Assets	Median Credit Union Size
1977	2,924,900	667,500
1978	3,427,100	778,500
1979	3,975,000	974,700
1980	4,603,100	1,007,900
1981	4,977,200	1,022,700

Information presented below for selected years was obtained from Annual Reports submitted by credit unions. It includes the Central Credit Union.

Year	Number of	Shares and Deposits	Loans	Total Assets
1971	133	149,650,000	136,960,300	175,178,000
1976	127	276,840,600	256,895,700	326,347,900
1977	123	328,140,300	301,002,700	384,745,800
1978	118	373,353,000	352,275,000	436,537,800
1979	109	429,346,000	369,265,900	484,803,200
1980	112	589,802,500	373,450,500	647,078,900
1981	113	644,183,000	390,450,500	710,476,400

	Without * Deposit Accounts	With Deposit Accounts	Total Individual Member Credit Unions
Number of Credit Unions	57	55	112
Average Assets	1,127,742	8,966,738	4,977,249
Percentage Increase in Assets, 1981	2.01%	10.10%	9.10%
Number of Credit Unions which decreased in size	18	10	28
Increase (Decrease) in Member Savings, 1981			
Shares	(131,398)	(27,945,649)	(28,077,047)
Deposits	98,893	67,483,580	67,582,473
Total	(32,505)	39,537,931	39,505,426
Percentage Increase (Decrease)			
Shares	(.06)	(11.50)	(9.50)
Deposits	N/C	41.70	41.67
Total	(.25)	9.77	8.63
Earnings, 1981			
Before Interest and Dividends	5,476,420	45,742,902	51,219,322
Interest and Dividends	4,265,351	38,686,768	42,952,119
Net Addition to Reserves	1,211,069	7,056,134	8,267,203
Earnings as a percentage of average total assets:			
Before Interest and Dividends	8.60	9.72	9.59
Interest and Dividends	6.70	8.22	8.04
Net Addition to Reserves	1.90	1.50	1.55
Cost of Savings			
Percentage of Average Shares	8.05	5.88	6.29
Percentage of Average Deposits	N/C	12.89	12.88
Percentage of Average Total Shares and Deposits	8.05	9.11	8.99
Capital Adequacy			
Book Value of Shares and Deposits	$1.1712	$1.0933	$1.1016
Equity Capital and Reserves as a Percentage of Total Assets	14.11	8.41	9.07
Equity Capital and Reserves as a Percentage of Loans	18.47	12.55	13.32
Liquidity			
Cash and Investments as a Percentage of Member Savings Plus Notes Payable	27.65	31.51	31.10
Investments to Asset Ratio	19.93	26.58	25.81

* Includes 10 credit unions with deposit accounts which equal less than 10% of member savings

ANNUAL REPORT OF ALABAMA CREDIT UNIONS, 1981

COMPARATIVE CONSOLIDATED BALANCE SHEETS, 1981 and 1980

ASSETS	December 31, 1981 Amount	Percent of Total Assets	December 31, 1980 Amount	Percent of Total Assets
Loans to Members	$390,796,258	55.00%	$373,450,454	57.71%
Cash on Hand and Demand Balances Due from Banks	12,791,079	1.80	10,405,741	1.61
Investments:				
U. S. Government and Federal Agency Securities	28,772,759	4.05	27,144,471	4.20
Common Trust Funds	2,486,081	.35	3,180,617	.49
Commercial Bank Time Deposits	20,653,986	2.91	27,897,911	4.31
Savings and Loan Associations	12,728,081	1.79	6,859,200	1.06
Loans to Other Credit Unions	452,189	.06	681,247	.11
Shares and Deposits in Other Credit Unions	193,714,168	27.27	174,148,732	26.91
Federal Funds Sold	19,085,000	2.69	--	--
Other Investments	2,427,287	.34	1,968,374	.30
TOTAL INVESTMENTS	280,319,551	39.46	241,880,552	37.38
Fixed Assets:				
Land, Building & Leasehold Improvements	15,716,861	2.21	13,919,029	2.15
Furniture & Equipment	2,394,816	.34	2,356,796	.36
TOTAL FIXED ASSETS	18,111,677	2.55	16,275,825	2.51
Other Assets:				
Accounts Receivable-Payroll Deduction	1,995,265	.28	2,096,476	.32
Other	6,462,616	.91	2,969,807	.47
TOTAL OTHER ASSETS	8,457,881	1.19	5,066,283	.79
TOTAL ASSETS	$710,476,446	100.00%	$647,078,855	100.00%
LIABILITIES, EQUITY CAPITAL AND RESERVES				
Shares and Deposits:				
Shares	$276,796,585	38.96%	$305,530,880	47.22%
Deposits	367,386,433	51.71	284,271,603	43.93
TOTAL SHARES AND DEPOSITS	644,183,018	90.67	589,802,483	91.15
Dividends Payable*	2,000,344	.28	2,565,736	.40
Notes Payable	1,260,738	.18	1,983,513	.31
Accrued Expenses	7,556,240	1.06	3,086,822	.47
Other Liabilities	2,258,286	.32	2,733,559	.42
TOTAL SHARE CAPITAL & LIABILITIES	657,258,626	92.51	600,172,113	92.75
Equity Capital and Reserves:				
Regular Statutory Reserve	24,831,111	3.49	22,588,761	3.49
Special Loss Reserves	1,397,088	.20	1,064,964	.17
Reserve for Contingencies	12,133,337	1.71	11,382,550	1.76
Undivided Earnings*	14,856,284	2.09	11,870,467	1.83
TOTAL EQUITY CAPITAL & RESERVES	53,217,820	7.49	46,906,742	7.25
TOTAL LIABILITIES, EQUITY CAPITAL AND RESERVES	$710,476,446	100.00%	$647,078,855	100.00%

* Undivided Earnings adjusted to reflect totals after payment of current year's dividend, whether recorded in current or subsequent year.

Number of Active Credit Unions	113	112
Average Total Assets	6,287,402	5,777,490
Median Total Assets	985,900	986,000
Number of Members at End of Year	332,954	326,197
Number of Borrowers at End of Year	212,315	213,383

	1981		1980	
Increase in Total Assets	63,397,591	9.80%	162,275,669	33.47%
Increase in Loans	17,345,804	4.64	4,184,521	1.13
Increase in Shares & Deposits	54,380,535	9.22	160,456,449	37.37

ANNUAL REPORT OF ALABAMA CREDIT UNIONS, 1981

BALANCE SHEET DISTRIBUTION BY CREDIT UNION SIZE AS OF DECEMBER 31, 1981

	All Credit Unions **	Under 500,000 Assets	500,000 to 999,999 Assets	1,000,000 to 9,999,999 Assets	Over 10,000,000 Assets **
			Percentage Distribution		
ASSETS					
Loans to Members	68.08	72.15	81.21	72.44	65.82
Cash	2.01	6.41	2.54	1.79	1.95
Investments	25.81	20.21	15.63	24.27	26.96
Fixed Assets	3.22	.17	.43	.93	4.25
Other Assets	.88	1.06	.19	.57	1.02
TOTAL ASSETS	100.00	100.00	100.00	100.00	100.00
LIABILITIES, EQUITY CAPITAL AND RESERVES					
Shares and Deposits	89.22	87.17	88.11	87.25	90.03
Dividends Payable*	.36	1.99	1.43	.96	.05
Notes Payable	.22	.41	.56	.51	.10
Other Liabilities	1.13	.47	1.12	1.12	1.16
TOTAL SHARE CAPITAL AND LIABILITIES	90.93	90.04	91.22	89.84	91.34
Equity Capital and Reserves:					
Statutory Reserve	4.21	6.00	5.73	5.08	3.77
Other Reserves	2.35	.63	.85	2.70	2.35
Undivided Earnings*	2.51	3.33	2.20	2.38	2.54
TOTAL EQUITY CAPITAL AND RESERVES	9.07	9.96	8.78	10.16	8.66
TOTAL LIABILITIES, EQUITY CAPITAL AND RESERVES	100.00	100.00	100.00	100.00	100.00

*Adjusted to reflect Undivided Earnings after payment of 1981 dividends whether recorded on books in 1981 or 1982.

Loans to Members	390,796,258	7,028,523	14,072,850	102,198,552	256,220,906
				Central	11,275,427
Total Assets	710,476,446	9,742,097	17,328,626	141,080,179	389,300,995
				Central	153,024,549
Shares and Deposits	644,183,018	8,492,032	15,268,607	123,095,722	350,483,916
				Central	146,842,741
Equity Capital and Reserves	53,217,820	970,666	1,521,746	14,340,328	33,717,226
				Central	2,667,854
Number of Active Credit Unions	113	34	23	42	14
Number of Members	332,954	13,394	16,462	91,351	211,747
Number of Borrowers	212,315	6,179	9,057	52,502	144,577
Percentage of Regular Reserve to Loans **	6.18	8.32	7.06	7.02	5.73
Percentage of Equity Capital and Reserves to Loans **	13.32	13.81	10.81	14.03	13.16

** Central Credit Union Excluded from Percentage Distribution.

ANNUAL REPORT OF ALABAMA CREDIT UNIONS, 1981

COMPARATIVE STATEMENT OF EARNINGS AND EARNINGS DISTRIBUTION 1981 and 1980

	Year Ended 12-31-81		Year Ended 12-31-80	
CONSOLIDATED STATEMENT OF EARNINGS	Amount	Percentage of Operating Income	Amount	Percentage of Operating Income
Income				
Interest on Loans to Members	51,155,636	52.43	44,637,449	69.02
Investment Income	42,839,552	43.90	17,560,348	27.15
Other Income	3,580,931	3.67	2,473,487	3.83
Total Operating Income	97,576,119	100.00	64,671,284	100.00
Expense				
Salaries	8,979,495	9.20	7,629,796	11.80
Interest on Borrowings	159,688	.16	301,997	.47
Borrower's Insurance	957,099	.98	838,532	1.30
Life Savings Insurance	609,823	.62	571,964	.88
Association Dues and Fees	350,542	.36	297,039	.46
Share Insurance Premium	409,217	.42	345,568	.53
Surety Bond Premium	179,728	.18	136,321	.21
Examination Fees	164,070	.17	148,259	.23
Other Expense	10,206,596	10.47	8,430,817	13.03
Total	22,016,258	22.56	18,700,293	28.91
Operating Earnings, Excluding Interest on Deposits	75,559,861	77.44	45,970,991	71.09
Interest on Deposits	48,290,281	49.49	20,963,453	32.42
Net Operating Earnings	27,269,580	27.95	25,007,538	38.67
CONSOLIDATED STATEMENT OF EARNINGS DISTRIBUTION				
Net Operating Earnings	27,269,580	100.00	25,007,538	100.00
Less: Dividends	18,229,227	66.85	19,448,746	77.77
Interest Rebates	319,433	1.17	428,675	1.72
Net Earnings after Dividends and Interest Rebates	8,720,920	31.98	5,130,117	20.51
Distribution of Net Earnings after Dividends and Interest Rebates:				
To Regular Statutory Reserve	4,464,145	16.37	3,558,977	14.23
To Other Reserves and Equity Capital Accounts	4,256,775	15.61	1,571,140	6.28
Total Distribution	8,720,920	31.98	5,130,117	20.51

ANNUAL REPORT OF ALABAMA CREDIT UNIONS, 1981

CREDIT UNIONS RANKED BY ASSET SIZE December 31, 1981

Rank	Name of Credit Union	Assets 12-31-81	Assets 12-31-80 (Rank)	
	Over $10,000,000 Assets			
1	Alabama Central Credit Union	153,024,549	136,133,018	(1)
2	Iron and Steel Credit Union	133,463,143	119,292,625	(2)
3	Listerhill Employees Credit Union	35,434,530	30,036,812	(3)
4	APCO Employees Credit Union	31,467,654	26,249,306	(5)
5	Alabama Telco Credit Union	29,066,799	27,363,577	(4)
6	Birmingham Credit Union	26,159,070	24,286,714	(7)
7	Mutual Savings Credit Union	24,039,767	25,508,037	(6)
8	Jefferson County Teachers' Credit Union	23,749,274	21,947,243	(8)
9	University Credit Union	20,935,204	18,585,143	(9)
10	Chemstrand Families' Credit Union	15,924,284	13,759,088	(10)
11	Alabama Credit Union	13,949,418	12,044,442	(12)
12	Friendly Credit Union	13,281,822	13,548,965	(11)
13	Scott-Southern Division Employees Credit Union	10,932,709	11,610,637	(13)
14	Alabama Mental Health Credit Union	10,897,321	10,154,894	(14)
	5,000,000 to 9,999,999 Assets			
15	Tenco Employees Credit Union	9,787,211	8,777,741	(15)
16	Alabama State Employees Credit Union	8,365,509	8,236,738	(16)
17	Mobile Educators Credit Union	7,603,823	6,883,762	(17)
18	Jefferson County Employees Credit Union	7,318,585	6,391,496	(19)
19	Comala Credit Union	7,193,684	6,026,704	(21)
20	Social Security Employees Credit Union	7,013,519	6,754,262	(18)
21	Huntsville Teachers Credit Union	6,284,474	6,208,545	(20)
22	Wolverine Employees Credit Union	6,021,406	5,441,256	(22)
23	Fort McClellan Credit Union	5,675,921	5,080,651	(24)
24	American Can Employees Credit Union	5,644,610	5,262,112	(23)
25	Delchamps Employees Credit Union	5,008,826	4,309,466	(25)
	2,000,000 to 4,999,999 Assets			
26	Birmingham News Employees Credit Union	4,069,665	3,409,244	(29)
27	Tuscaloosa Teachers Credit Union	3,861,274	3,527,497	(27)
28	Courtaulds Credit Union	3,783,944	3,598,817	(26)
29	Railway Employees Credit Union	3,594,468	3,016,236	(31)
30	Industrial Relations Credit Union	3,189,691	3,084,448	(30)
31	Craig Credit Union	3,015,662	3,456,478	(28)
32	Birmingham Post Office Credit Union	2,907,721	2,880,296	(32)
33	Revere Scottsboro Employees' Credit Union	2,630,396	2,443,292	(33)
34	Lauderdale County Teachers Credit Union	2,542,786	2,071,536	(38)
35	Mobile Government Employees Credit Union	2,491,586	2,214,274	(37)
36	Opp-Micolas Credit Union	2,401,399	2,050,545	(40)
37	Sheffield-Tuscumbia Credit Union	2,361,796	2,259,758	(35)
38	Brassies Credit Union	2,286,549	2,333,147	(34)
39	City Credit Union	2,244,958	1,979,325	(41)
	1,000,000 to 1,999,999 Assets			
40	Federal Employees Credit Union	1,895,162	2,251,306	(36)
41	Pinto Credit Union	1,859,262	2,052,198	(39)
42	TFE Credit Union	1,706,208	1,497,268	(43)
43	Benco Employees Credit Union	1,640,072	1,025,470	(54)
44	Champion Alabama Employees Credit Union	1,621,310	1,118,901	(52)
45	L & N Employees Credit Union	1,583,407	1,524,028	(42)
46	Druid City Hospital Credit Union	1,456,333	1,296,251	(47)
47	Birmingham Police Credit Union	1,411,311	1,471,854	(44)
48	Health Credit Union	1,395,988	1,436,295	(45)
49	Monsanto of Anniston Employees Credit Union	1,292,693	1,251,464	(48)
50	CMA Credit Union	1,267,867	1,298,966	(46)
51	Gasco Employees Credit Union	1,177,413	1,151,164	(50)

ANNUAL REPORT OF ALABAMA CREDIT UNIONS, 1981

CREDIT UNIONS RANKED BY ASSET SIZE December 31, 1981

Rank	Name of Credit Union	Assets 12-31-81	Assets 12-31-80 (Rank)	
52	Connors Steel Employees Credit Union	1,158,063	1,153,628	(49)
53	Montgomery County Employees Credit Union	1,138,379	1,129,020	(51)
54	Chemco Credit Union	1,102,516	1,009,075	(55)
55	Allied Credit Union	1,052,041	1,052,186	(53)
56	Alabama Postal Credit Union	1,022,689	1,007,887	(56)
57-79	500,000 to 999,999 Assets Twenty-three Credit Unions	17,328,626	16,426,928	
80-113	Under 500,000 Assets Twenty-four Credit Unions	9,742,097	9,706,840	